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RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 3978  
RUEHLO/AMEMBASSY LONDON PRIORITY 5279  
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 1350  
RUEHCI/AMCONSUL KOLKATA PRIORITY 3406  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 2632  
RUEKJCS/SECDEF WASHDC PRIORITY  
RHMFIS/CDR USPACOM HONOLULU HI PRIORITY  
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C O N F I D E N T I A L SECTION 01 OF 03 KATHMANDU 000831

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BANGKOK FOR TDA WALTERS

E.O. 12958: DECL: 04/23/2017  
TAGS: PGOV PTER PINR EAIR ETRD NP

SUBJECT: NEW CIVIL AVIATION MINISTER PROMISES ACTION ON  
MAOIST PORTERS

REF: A. KATHMANDU 653  
1B. KATHMANDU 804

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d)

Summary

11. (C) On April 19, the Ambassador met with recently appointed Minister of Culture, Tourism and Civil Aviation Prithvi Gurung to reiterate his concern about the presence of Maoist porters at the cargo terminal at Kathmandu's Tribhuvan International Airport. The Maoists were a designated terrorist group and it was illegal under U.S. law for U.S. persons to pay fees to Maoists. Civil Aviation Minister Gurung replied that the Maoist porters were making other problems at the airport and promised to speak to Prime Minister Koirala, Home Minister Sitaula and Information Minister Mahara, a Maoist, about a solution. Gurung emphasized the difference between what the Maoists were saying and what they were doing. Gurung agreed wholeheartedly with the Ambassador on the importance of consulting with disadvantaged groups on the way ahead. The Civil Aviation Minister also commented briefly on the likelihood of Nepal acquiring additional Boeing aircraft.

U.S. Concern About Maoist Porters At the Airport

12. (C) In his first meeting with Prithvi Subba Gurung, the newly appointed Minister of Culture, Tourism and Civil Aviation in the Interim Government, the Ambassador raised the U.S. concern about the presence of a large number of Maoist porters at the cargo terminal at Kathmandu's Tribhuvan International Airport. The Ambassador noted that he had previously raised this issue with Minister Gurung's predecessor, Pradip Gyawali, on March 28 (Ref A). He explained that, because the United States had designated the Maoists as a terrorist group, it was illegal for U.S. individuals or groups to pay fees to Maoists. This put the U.S. and the Government of Nepal (GON) in an awkward position. If the situation continued, the Ambassador warned, the U.S. Government would have to advise Americans and

American companies that they would be in violation of U.S. law if they brought goods into or out of Nepal through Tribhuvan Airport.

#### Civil Aviation Minister Shares U.S. Concern

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¶3. (C) The Civil Aviation Minister indicated that he was very familiar with the problem. He added that the Maoist porters were also demanding to be made permanent staff and were disturbing the cargo area. (Note: The Civil Aviation Authority, or CAA, has issued badges to the porters, including the large percentage that are Maoists, to enter the grounds of the cargo terminal, but they are not considered CAA or Customs Department employees. At the end of each day, the porters divvy up the total fees paid for transporting goods to and from the Customs warehouse according to a rate schedule Customs has approved.) Minister Gurung said he had already spoken with Home Minister Sitaula about this problem and was consulting with the Director General of Civil Aviation on what could be done. Gurung promised to speak to the Home Minister again, as well as to Prime Minister Koirala and the senior Maoist in the Interim Cabinet, Information Minister Krishna Mahara. He agreed with the Ambassador that a solution had to be found.

#### Minister Bemoans That Maoist Deeds Don't Match Words

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¶4. (C) Minister Gurung complained that what the Maoists were saying and what they were doing were very different. Gurung indicated that the current situation could not continue. The

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Maoists, he said, would have to reform their ways and keep their promises. Otherwise, "the peace accord will be destroyed." The Civil Aviation Minister indicated that senior Maoist leader Prachanda would have to control Maoist Ministers such as Forests Minister Matrika Yadav, who had challenged Prime Minister Koirala at a cabinet meeting earlier in the week. The Ambassador responded that he did not think Prachanda wanted to control the Maoists. During his trip to Morang and Udayapur Districts in the Terai (septel), the Ambassador said he had heard that the Maoists were still committing extortion and violence and running their so-called "People's Courts." In addition, locals had indicated that the Maoists were using the Young Communist League (YCL) to expand their abuses into villages where they had previously had almost no presence. Gurung concurred. Former Maoist militants had been switched over, the Minister stated, to the YCL; those who were in the camps were mostly new recruits. The Civil Aviation Minister emphasized that the GON had to act, especially against any Maoists with guns.

#### Nepal Also Faces Challenges With Inclusion

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¶5. (C) The Ambassador reported that it was also apparent from his recent trip to the Terai that the GON had to do more to include disadvantaged groups. The Ambassador asked when the promised national roundtable would be held. Minister Gurung replied that no time had been fixed, but the GON had formed a new talks committee, headed by Minister of Peace and Reconstruction Ram Chandra Poudel, and that committee was in contact with the various groups. The Ambassador noted that Madhesi, Tharu, janjati (ethnic Tibeto-Burman), dalit and women leaders had told him that they would respond to the GON, but that they needed to be included in the political process. He added that everyone seemed upset about the way the Constituency Delineation Commission had drawn the boundaries of the electoral districts for the upcoming Constituent Assembly election. Once again, they had not been consulted. Gurung said that Madhesi MPs had voiced the same complaint in the Interim Parliament. He stated that there was a struggle within his own party, the Communist Party of Nepal - United Marxist Leninist, between those who wanted to

include these groups in the leadership and those who did not. As a janjati himself, he knew these issues well. (Note: The Gurungs are one of Nepal's largest indigenous groups.)

Minister Concedes State Carrier Needs Additional Airplanes

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¶ 16. (C) The Ambassador encouraged the Civil Aviation Minister to consider Boeing aircraft when the state airline, Nepal Airlines Corporation (NAC), made its decision about acquiring new airplanes. Minister Gurung said he had discussed this matter with former Civil Aviation Minister Gyawali. NAC only had two large airplanes -- both Boeings -- and their occupancy was very high. It made sense for NAC to increase its fleet, particularly since demand was likely only to increase. He added that the process of acquiring a new Boeing airplane was quite a long one. He spoke about a two-year time frame and asked whether the U.S. Government could assist Nepal with the acquisition. The Ambassador replied that the United States would do what it could. (Note: The market for used Boeing aircraft is also quite tight, but Boeing has offered in the past to help NAC locate one or two aircraft to lease in the meantime.)

Comment

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¶ 17. (C) Earlier on April 19, prior to the Ambassador's meeting with Civil Aviation Minister Gurung, the head of police at Tribhuvan Airport had told the Regional Security Officer that the Civil Aviation Authority had canceled the badges of 60 Maoist porters. The Customs Department, however, was unable to confirm to Emboff that this had happened, and Minister

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Gurung made no mention of it. Gurung shares post's concern about the Maoists and appears genuine in wanting to find a solution at the airport. The Civil Aviation Minister is clearly no friend of the Maoists. If Interim Parliament Speaker Nemwang does organize a parliamentary roundtable on inclusion on April 25, as post heard was planned (Ref B), we hope Gurung will participate. He strikes us as someone with whom these groups (and the international community) can work toward a truly new Nepal.

Biographic Data

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¶ 18. (U) On April 1, 2007, Prime Minister G.P. Koirala appointed Prithvi Subba Gurung as the Minister of Culture, Tourism and Civil Aviation in the Interim Government. Gurung is a Central Committee Member of the center-left Communist Party of Nepal - United Marxist Leninist (UML) and was nominated by the UML to the Interim Parliament formed on January 15, 2007. He contested the general election of 1999 from Lamjung District in Western Nepal as a UML candidate but lost. Gurung holds a Bachelor's Degree in Science from Tribhuvan University in Kathmandu. He is married and has one son and four daughters. His English is good.

MORIARTY